

AMENDMENTS TO THE CLAIMS

Claim 1 (currently amended): A method of conducting an online auction between a controlling party and at least two competing participants, ~~comprising the steps of the method conducted within a computer network comprised of at least one controlling party computer, an administrator computer, and a participant computer associated with each of the at least two competing participants, the method comprising:~~

- (a) setting, using an administrator computer, a reserve price for the online auction;
- (b) conducting, using the administrator computer, the online auction between the at least two competing parties;
- (c) determining, using the administrator computer, whether a predetermined time trigger has been reached, and suspending the auction if the reserve price is not reached at that time;
- (d) if the reserve price has not been reached when the predetermined time trigger has been reached, determining, using the administrator computer, whether the controlling party has selected to enter an optional reserve price negotiation phase, and revising the reserve price for that reserve price negotiation phase; and
- (e) and, accordingly, extending the online auction, using the administrator computer, into a reserve price negotiation phase based on the revised reserve price.

Claim 2 (previously presented): The method of claim 1, wherein the online auction is a reverse auction involving a buyer and multiple sellers, and the controlling party is the buyer.

Claim 3 (previously presented): The method of claim 2, wherein the revising of the reserve price involves setting a higher reserve price.

Claim 4 (withdrawn): The method of claim 1, wherein the online auction is a forward auction involving a seller and multiple buyers, and the controlling party is the seller.

Claim 5 (withdrawn): The method of claim 4, wherein the revising of the reserve price involves setting a lower reserve price.

Claim 6 (previously presented): The method of claim 1, including the additional step of
(f) accepting, at the close of the reserve price negotiation phase, an offer received during said phase that satisfies the revised reserve price.

Claim 7 (previously presented): The method of claim 1, wherein said predetermined time trigger is the expiry of a set period of the auction.

Claim 8 (previously presented): The method of claim 1, wherein said predetermined time trigger is fixed in accordance with dynamic rules operating during the auction.

Claim 9 (previously presented): The method of claim 1, wherein said predetermined time trigger is set in accordance with the completion of an extension period triggered by a prescribed event in the course of the auction.

Claim 10 (previously presented): The method of claim 1, wherein steps (b) to (d) are repeated such as to invoke a succession of two or more reserve price negotiation phases.

Claim 11 (currently amended): The method of claim 1, wherein the auction involves the award of a supply contract to a supplier selected from a panel of predetermined suppliers which each have a base supply contract with the buyer, and the computer network over which the online auction is carried out comprises at least one buyer computer, an administrator computer and at least two supplier computers, the method including the steps of:

establishing key parameters for a BOM to be submitted by the administrator computer to the at least two supplier computers (~~eg. price, quality, delivery and service~~);

establishing a rating for each supplier of the panel of predetermined suppliers related to said key parameters;

receiving offers during the auction from the supplier computers of suppliers; and

applying the respective rating to offers received by the administrator computer from the supplier computers to adjust that offer prior to comparison of that offer with any other offer.

Claim 12 (currently amended): The method of claim 11, wherein the BOM includes a time period for submissions of offers by said suppliers, this time period being extendable to enable submission of an improved final offer from at least some of the supplier computers from which ~~offer messages~~offers were received.

Claim 13 (previously presented): The method of claim 12, wherein said optional reserve price negotiation phase has a set duration, this duration being extendable to enable submission of an improved final offer from at least some of the supplier computers from which offer messages were received during the reserve price negotiation phase.

Claim 14 (previously presented): The method of claim 11, wherein each supplier is provided with a current bid to win (CBTW) in respect of the supply contract, the CBTW calculated by said administrator computer to dynamically indicate to a supplier an offer that that particular supplier must submit to remain competitive in the auction.

Claim 15 (previously presented): The method of claim 14, wherein the CBTW for a supplier is calculated in accordance with the formula:

$$\text{CBTW}_{x_m} = \text{FB}_{n-1} - (\text{MD} / \text{SF}_x)$$

where x indicates a particular supplier X; m indicates that particular supplier's bid number; n indicates the overall bid number (ie 1st bid: n= 1; 2nd bid: n=2;etc); FB indicates a factored bid for said particular supplier; MD indicates a set minimum bid decrement; and SF is the supplier factor set in accordance with said supplier rating.

Claim 16 (previously presented): The method of claim 15, wherein the factored bid is calculated in accordance with the formula:

$$\text{FB}_n = \text{SB}_x + (\text{MD} / \text{SF}_x) - \text{MD}$$

where SB is a submitted bid.

Claim 17 (previously presented): The method of claim 11, including the step of comparing the revised reserve price with offers previously received during the auction, to which offers said rating has been applied, before the reserve price negotiation phase is commenced.

Claim 18 (previously presented): The method of claim 15, including the step of calculating, for each supplier, a CBTW based on a measure of the revised reserve price to which a respective supplier rating has been applied.

Claim 19 (currently amended): A system for conducting an online auction between a controlling party and at least two competing participants, comprising:

setting means for setting a reserve price for the auction;

comparison means for comparing a measure of each offer received during the auction from said at least two competing participants;

first determining means for determining whether a predetermined time trigger has been reached, ~~and for suspending the auction if the reserve price is not reached at that time;~~

second determining means for determining, if the reserve price is not reached at that time, whether the controlling party has selected to enter ~~an optional~~ a reserve price negotiation phase, the setting means responsive to said second determining means to revise the reserve price for that reserve price negotiation phase; and

means, responsive to said second determining means, for allowing extension of the auction into a reserve price negotiation phase based on the revised reserve price.

Claim 20 (previously presented): The system of claim 19, including means for causing or permitting acceptance of an offer at the end of the reserve price negotiation phase if the offer satisfies the revised reserve price.

Claim 21 (currently amended): The system of claim 19, the online auction involving the award of a supply contract to a supplier selected from a panel of predetermined suppliers which each have a base supply contract with the buyer, the computer network over which the online auction is carried out comprising at least one buyer computer, an administrator computer and at least two supplier computers, ~~wherein a further comprising:~~

~~rating is established~~ means for establishing a rating for each supplier depending on key supply parameters, and

applying means, associated with the administrator computer, ~~configured to apply for~~
applying the rating to any offer received by the administrator computer from the supplier
computer of that supplier to adjust that offer prior to comparison with other offers and/or with
the revised reserve price during the reserve price negotiation phase.

Claim 22 (previously presented): The system of claim 21, including means for providing
each supplier with a current bid to win (CBTW) in respect of the supply contract, the CBTW
calculated by said administrator computer to dynamically indicate to a supplier an offer that that
particular supplier must submit to remain competitive in the auction.

Claim 23 (new): The method of claim 1 including, for the reserve price negotiation
phase, providing to each competing participant an indication of the revised reserve price.

Claim 24 (new): The method of claim 11, wherein the key parameters established are
selected from the group of price, quality, delivery, and service.

Claim 25 (new): The system of claim 19, including means for, for the reserve price
negotiating phase, providing to each competing participant an indication of the revised reserve
price.